



**Roland W. Burris**

Comptroller  
State of Illinois

February 26, 1987

201 State House  
Springfield, Illinois 62706  
217/782-6000

PAYROLL BULLETIN  
(2-87)

TO: All State Agencies, Departments, Boards, Commissions  
and Universities

SUBJECT: W-4 Forms

The Federal Tax Reform Act of 1986 made changes to the tax law that could affect State employees' taxes for 1987. Therefore, the amount of federal tax that is now being withheld from their pay may no longer be correct.

The law requires that each employee file a new federal form W-4 by October 1, 1987. However, you should urge your employees to file early to avoid incorrect withholding. Underwithholding could result in an assessment of penalty by the Internal Revenue Service.

AGENCY RESPONSIBILITY

Each agency must notify their employees that new Federal forms W-4 must be completed according to the instructions. (See Exhibit I, pages 1 through 4 attached) These instructions may be reproduced and distributed to each employee, or you can order the instructions from the Internal Revenue Service.

Also attached is the new Illinois form IL-W-4 with instructions. (See Exhibit II) Employees should be urged to review these instructions to see if their State withholding should be changed. Again, these instructions may also be reproduced, or copies can be ordered from the Illinois Department of Revenue.

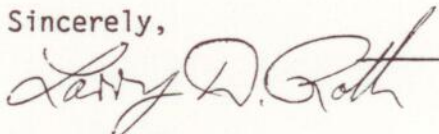
Under the Tax Reform Act, if a new form W-4 is not submitted by October 1, 1987, the agency must withhold as if the employee were single, claiming one withholding allowance, or married claiming two withholding allowances, depending on whether the employee checked the "Single" or "Married" box on the most recent W-4 on file with the agency.

The Internal Revenue Service has informed the Comptroller's Office that they will provide an instructor to help employees with the new W-4 instructions. If you are interested in this kind of assistance, please contact:

Ms. Sonya Jacobs  
Internal Revenue Service  
320 West Washington Street  
Springfield, Illinois 62701  
(217)492-4288

Any questions regarding the instructions on the Federal form W-4 or the Illinois form IL-W-4 should be referred to the Internal Revenue Service or the Illinois Department of Revenue, whichever is applicable. Questions regarding this payroll bulletin should be referred to Dan Steven or Nancy Smith at (217)782-4758.

Sincerely,

A handwritten signature in dark ink, appearing to read "Larry D. Roth". The signature is fluid and cursive, with the first name "Larry" and last name "Roth" clearly distinguishable.

Larry D. Roth  
Director - State Accounting



1987

Department of the Treasury  
Internal Revenue Service

## Instructions for Form W-4

## Employee's Withholding Allowance Certificate

## Why Must I Complete a New Form W-4?

The Tax Reform Act of 1986 made many changes to the tax law that could affect your taxes for 1987. Therefore, the amount of tax that is now withheld from your pay may no longer be correct. So that your employer will not withhold too much or too little tax from your pay, give your employer a new Form W-4.

## When Must I File the Form?

Give your employer a new Form W-4 as soon as possible. While the law requires you to file a new form before October 1, 1987, you are urged to file early to avoid incorrect withholding.

## What Happens If I Do Not Complete the Form?

The amount of tax withheld from your pay may not be close to the amount of tax you will owe when you file your tax return. If you do not give your employer a new Form W-4, your employer will have to ignore any previous form you have filed, and the amount withheld will probably not be correct for your tax situation.

## How Do I Complete the Form?

The following instructions tell you how to complete the Form W-4 on this page. Use the worksheet on page 3 to figure the number of withholding allowances you can claim on Form W-4.

**Please Note:** Most employees will have to complete ONLY lines A through E of the worksheet. But if you have a spouse who is also employed, or you have more than one job at the same time, or you have nonwage income, complete the rest of the worksheet. You should also complete the worksheet if you have itemized deductions, tax credits, adjustments to income, or the age or blindness deduction.

## Should I Claim the Special Withholding Allowance?

Claim this allowance if you have only one job at a time and you don't have a working spouse. Take this allowance so that you won't have too much tax withheld from your pay. See line B of the worksheet on page 3.

## Step-by-Step Instructions

## Step 1—How To Complete Form W-4.—

First, fill in the information asked for on lines 1 through 3 of the form. Then, if you think you might be exempt from withholding, read the instructions for Step 2 below. Otherwise, skip to Step 3 on page 2. If you want to have more money withheld from your pay, see Step 4 on page 2.

After your new Form W-4 takes effect, you should check to see if you are having the proper amount withheld. To do this, you may want to get Publication 919, Is My Withholding Correct? For more details on withholding, get Publication 505, Tax Withholding and Estimated Tax, and Publication 553, Highlights of 1986 Tax Law Changes. You can get these publications by calling 1-800-424-FORM (3676).

**Note: If Your Allowances Change.**—If the number of withholding allowances you are entitled to claim decreases to fewer than the number you claim on this Form W-4, you must file a new W-4 within 10 days.

## Step 2—Are You Exempt From Withholding?—You are exempt from withholding ONLY if:

1. Last year you did not have any Federal income tax liability; AND
2. This year you expect to have no Federal income tax liability.

**Important Change in the Law.**—If you can be claimed as a dependent on another person's tax return (for example, on your parent's return), you may not be exempt. You cannot claim exempt status if you have any nonwage income, such as interest on savings, and expect your wages plus this nonwage income to add up to more than \$500.

If you are exempt, go to line 6 of Form W-4 and complete the appropriate boxes. Your exempt status will remain in effect until February 15 of the next year. If you still qualify for exempt status next year, complete and file a new form by that date.

(Continued on page 2)

C-25.1 FORM W-4 U.S. Treasury Department Internal Revenue Service		EMPLOYEE'S WITHHOLDING EXEMPTION CERTIFICATE		Side 1
		PLEASE TYPE		Voting County _____
1. Type		2. Social Security		Date of Birth _____
Full Name		City _____ State _____ Zip Code _____		
Last First Middle		City _____ State _____ Zip Code _____		
Legal Address		City _____ State _____ Zip Code _____		
Mailing Address if Other Than Above		City _____ State _____ Zip Code _____		
Marital status		3. <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but with child at higher Single rate		
Notes: If married, but legally separated, or spouse is a nonresident alien, check the single block.				
4. Total number of allowances you are claiming (from the worksheet on page 3)				\$ _____
5. Additional amount, if any, you want deducted from each pay (see step 4 on page 2)				\$ _____
6. I claim exemption from withholding because (see step 2 and check boxes below that apply):				
a. <input type="checkbox"/> Last year I did not owe any Federal income tax and had a right to a full refund of ALL income tax withheld, AND				
b. <input type="checkbox"/> This year I do not expect to owe any Federal income tax and expect to have a right to a full refund of ALL income tax withheld. If both a and b apply, enter "EXEMPT" here				
c. If you enter "EXEMPT" on line 6b, are you a full-time student? <input type="checkbox"/> Yes <input type="checkbox"/> No				
Under the penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate, or if claiming exemption from withholding, that I am entitled to claim the exempt status.				
Employee's signature		Date		19 _____
7. Employer's name and address (including ZIP code) (FOR EMPLOYER'S USE ONLY) State of Illinois, Comptroller, Withholding Agent, Springfield, IL 62706		8. Office Code		9. Employer Identification Number 37-600 2057 W



Form W-4 (1987)

**Step 3—Complete the Worksheet on Page 3.**—By using this worksheet, the amount of tax withheld from your pay should closely match your tax liability for the year.

Please claim all the withholding allowances to which you are entitled. In certain cases, your employer must send copies of the Form W-4 to IRS. You may then be asked to verify your allowances. This applies if you claim more than 10 withholding allowances, or you claim exemption from withholding under Step 2 and your wages are expected to usually exceed \$200 a week.

**Penalty.**—You may be fined \$500 if, with no reasonable basis, you file a Form W-4 that results in less tax being withheld than is properly allowable. In addition, criminal penalties apply for willfully supplying false or fraudulent information or failing to supply information requiring an increase in withholding.

**Line B—Special Withholding Allowance.**—The Special Withholding Allowance is very important. Claim it if you qualify for it, because if you do not, too much tax may be withheld from your pay.

Claim this allowance if:

- You are single and have only one job at a time; OR
- You are married, have only one job at a time, and your spouse does not work; OR
- You have two jobs at a time and only one job paid more than \$2,500; OR
- You are married, both you and your spouse work, and only one job paid more than \$2,500.

**Line E—Should I Stop Here?**—You may stop here and enter the total from line E on Form W-4, line 4, **only** if you do not need to increase or decrease your allowances as explained between lines E and F of the worksheet.

**Line F—Adjustments to Income.**—Enter the total of the following:

- Qualified reimbursed employee business expenses (unreimbursed expenses are allowed only as an itemized deduction)
- Qualified alimony payments made
- Deductible business and investment losses
- Penalty on early withdrawal of savings
- Qualified contributions to an IRA account or Keogh plan. If either you or your spouse, if applicable, have an IRA and are covered by an employer's pension plan, your 1987 IRA deduction may be reduced or eliminated if your adjusted gross income is at least \$40,000 (\$25,000 if single, or \$0 if married filing separately). Get Publication 590, Individual Retirement Arrangements (IRAs), for details.

**Line G—Itemized Deductions.**—Enter the total of the following:

- Medical expenses in excess of 7.5% of your AGI\*
- State and local taxes (exclude sales taxes)
- Home mortgage interest and 65% of personal interest
- Qualified investment interest
- Charitable contributions
- Certain casualty and theft losses in excess of 10% of AGI\*
- Moving expenses (if reimbursed, include only if your employer withheld tax on them)
- Miscellaneous deductions (most of these are now deductible only in excess of 2% of AGI\*; see Publication 553)

\* In general, your AGI (adjusted gross income) is your income less any adjustments to income included on line F of the worksheet.

**Line J—Additional Standard Deduction for Age or Blindness.**—If you do not expect to itemize deductions on your 1987 tax return and either you or your spouse is age 65 or over or blind, use the following table.

	If 65 or over or blind, enter on line J:	If 65 or over and blind, enter on line J:
Single	\$1,210	\$1,960
Head of Household	\$2,610	\$3,360
Married-Joint	\$1,840 **	\$2,440 **
Married-Separate	\$1,220	\$1,820
Qualifying Widow(er)	\$1,840	\$2,440

\*\* If your spouse is 65 or over or blind, add \$600 to this amount. Add \$1,200 if spouse is both 65 or over and blind.

**Line K—Tax Credits.**—Enter the amount of any tax credits you expect to claim, such as the credit for child and dependent care expenses, the earned income credit (EIC), and other credits shown on the 1986 Form 1040. The amount of the EIC has increased for 1987. Get Publication 553 for details. Do not include the EIC if you are receiving advance payment of it.

**Line O.**—Round the result to the nearest whole number. Drop amounts under .50. Increase amounts from .50 to .99 to the next whole number. For example, 3.25 becomes 3, and 4.61 becomes 5.

**Lines Q through T—Working Spouse? More Than One Job? Nonwage Income?**—So that you will have enough tax withheld, you MUST complete any lines that apply to you.

**Line U—Total Withholding Allowances.**—If the number on line T is larger than the number on line P, you will probably owe more tax when you file your return and may have to pay a penalty unless you take further

steps to have more tax withheld from your pay. You may use the instructions for Step 4 to estimate how much additional tax you should request your employer to withhold each pay period. As an alternative, you may use the 1987 Form 1040-ES, Estimated Tax for Individuals, to make this computation.

**Step 4—Additional Amount You Want Deducted From Each Pay.**—In some instances, you will be underwithheld, even if you do not claim any withholding allowances on Form W-4. This could occur if you have a working spouse, more than one job at a time, or nonwage income, AND the number on line T of the worksheet is larger than the number on line P.

To correct this problem, you may have more tax withheld by filling in a dollar amount on line 5 of Form W-4. A method of figuring this amount follows:

1. Enter the number from line T of the worksheet . . . . .
2. Enter the number from line P of the worksheet . . . . .
3. Subtract line 2 from line 1 . . . . .
4. Enter the amount from the table below that applies to you . . . . . \$
5. Multiply line 3 by line 4 . . . . . \$
6. Divide line 5 by the number of pay periods each year. Enter the result here and on Form W-4, line 5 . . . . . \$

**Married Workers' Combined Annual Income**

	Line 4 Amount
Under \$4,860	\$209
\$4,860 - \$29,860	\$285
\$29,861 - \$46,860	\$532
\$46,861 - \$91,860	\$665
\$91,861 and over	\$732

**Unmarried Worker's Annual Income**

	Line 4 Amount
Under \$2,440	\$209
\$2,440 - \$17,440	\$285
\$17,441 - \$27,640	\$532
\$27,641 - \$54,640	\$665
\$54,641 and over	\$732

**Privacy Act and Paperwork Reduction Act Notice.**—We ask for this information to carry out the Internal Revenue laws of the United States. We may give the information to the Department of Justice for civil or criminal litigation and to cities, states, and the District of Columbia for use in administering their tax laws. You are required to give this information to your employer.



## Worksheet To Figure Your Withholding Allowances

**Note:** If you have a working spouse or more than one job at a time, use only one worksheet to figure your total allowances, combining all income, deductions, and credits on the one worksheet.

- A Enter "1" for yourself unless you can be claimed as a dependent on another person's tax return . . . . . A \_\_\_\_\_
- B **Special Allowance.**—Enter "1" if:   
     • you are single and you have only one job; or   
     • you are married, you have only one job, and your spouse does not work; or   
     • wages earned by you on a second job or earned by your spouse (or both) are \$2,500 or less. . . . . B \_\_\_\_\_
- C Enter "1" for your spouse unless your spouse can be claimed as a dependent on another person's tax return . . . . . C \_\_\_\_\_
- D Enter number of dependents other than your spouse that you expect to claim on your tax return . . . . . D \_\_\_\_\_
- E Add lines A through D and enter the total\*—Read the following instructions to see if you should stop here . . . . . E \_\_\_\_\_

You **MUST** complete lines Q through T if you have total income of \$950 or more from the following sources:

- A Working Spouse • More Than One Job • Nonwage Income

You **SHOULD** complete lines F through P if you expect to have:

- Itemized Deductions • Tax Credits • Adjustments to Income • Age or Blindness Deduction

Otherwise, **STOP** here and enter the number from line E on Form W-4, line 4.

- F Enter your estimated adjustments to income . . . . . F \$ \_\_\_\_\_
- G Enter your estimated itemized deductions . . . . . G \$ \_\_\_\_\_
- H Enter:   
     \$3,760 if married filing jointly or qualifying widow(er)   
     \$2,540 if single or head of household   
     \$1,880 if married filing separately . . . . . H \$ \_\_\_\_\_
- I Subtract the amount on line H from line G. Enter the result, but not less than zero . . . . . I \$ \_\_\_\_\_
- J **Age 65 or Over? Blind?** If you do not plan to itemize deductions, enter your additional standard deduction from instructions for line J on page 2 . . . . . J \$ \_\_\_\_\_
- K Enter your estimated tax credits, such as child and dependent care credit or earned income credit . . . . . K \$ \_\_\_\_\_
- L If line K is zero, skip to line N. Otherwise, enter the number from the table below . . . . . L \_\_\_\_\_

Married Filing Jointly or Qualifying Widow(er)			Single or Married Filing Separately			Head of Household		
If your combined estimated wages are—		Enter on line L	If your estimated wages are—		Enter on line L	If your estimated wages are—		Enter on line L
At least	But less than		At least	But less than		At least	But less than	
\$0	\$12,500	9	\$0	\$6,200	9	\$0	\$8,800	9
\$12,500	\$37,500	6.5	\$6,200	\$21,000	6.5	\$8,800	\$29,000	7
\$37,500	\$55,000	3.5	\$21,000	\$31,500	3.5	\$29,000	\$44,000	4
\$55,000	\$110,000	3	\$31,500	\$70,000	3	\$44,000	\$100,000	3
\$110,000 or over		2.5	\$70,000 or over		2.5	\$100,000 or over		2.5

- M Multiply the amount on line K by the number on line L and enter the total amount here . . . . . M \$ \_\_\_\_\_
- N Add lines F, I, J, and M. Enter the total amount here . . . . . N \$ \_\_\_\_\_
- O Divide the amount on line N by \$1,900. Round to the nearest whole number (see instructions on page 2) . . . . . O \_\_\_\_\_
- P Add lines E and O and enter the total number here . . . . . P \_\_\_\_\_
- Q **Nonwage Income?**—Enter the estimated amount, if any, of all your nonwage income . . . . . Q \$ \_\_\_\_\_
- R **Working Spouse? More Than One Job?**—Too little tax may be withheld if either of these situations applies. See page 4 for line R instructions and tables to figure the amount to enter on this line . . . . . R \$ \_\_\_\_\_
- S Add amounts on lines Q and R and enter the total amount here . . . . . S \$ \_\_\_\_\_
- T Divide the amount on line S by \$1,900. Round to the nearest whole number (see instructions for line O) . . . . . T \_\_\_\_\_
- U **Total Withholding Allowances.**—Subtract the number on line T from the number on line P. Enter the result here and on Form W-4, line 4. \* If the result is zero or less, enter zero and see instructions for line U on page 2 . . . . . U \_\_\_\_\_

\* If you have more than one job or if your spouse works, you may claim all of your allowances on one job or you may claim some on each job, but you may **NOT** claim the same allowances more than once. Your withholding will usually be more accurate if you claim all allowances on the Form W-4 for the job with the largest wages and claim zero on all other Forms W-4.



1

6 Enter wages from the NEXT HIGHEST paying job . . . . . \$

7. If married filing jointly, use Table A. Otherwise, use Table B.

Enter the number from line P of Worksheet on page 3 . . .   

10. Enter on line R of the Worksheet the amount in the table where

the constant and the value of the

Table A—For Matrices Computed Using  $\sigma = 0.01$ 

Amount From Line 6 Above		Amount From Line 5 Above																							
		At Least--	But Less Than--	Under \$4,000	\$4,000 And Under \$18,000	\$18,000 And Under \$20,000	\$20,000 And Under \$22,000	\$22,000 And Under \$24,000	\$24,000 And Under \$26,000	\$26,000 And Under \$28,000	\$28,000 And Under \$30,000	\$30,000 And Under \$32,000	\$32,000 And Under \$34,000	\$34,000 And Under \$36,000	\$36,000 And Under \$38,000	\$38,000 And Under \$40,000	\$40,000 And Under \$42,000	\$42,000 And Under \$44,000	\$44,000 And Under \$46,000	\$46,000 And Under \$48,000	\$48,000 And Under \$50,000	\$50,000 And Under \$55,000	\$55,000 And Under \$60,000	\$60,000 Or Over	
\$0	\$2,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
\$2,000	\$4,000	0	300	300	300	300	300	300	500	700	700	700	700	700	700	700	700	700	700	700	700	700	700	700	
\$4,000	\$6,000	0	800	800	800	800	800	800	1,000	1,000	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	2,100	2,100	2,100	2,100	2,100		
\$6,000	\$8,000	0	800	800	800	800	1,000	2,700	3,700	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	3,200	3,200	3,200	3,200	3,200		
\$8,000	\$10,000	0	800	800	800	1,000	2,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	4,400	4,400	4,400	4,400	4,400		
\$10,000	\$12,000	0	800	800	1,000	2,700	4,400	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	5,500	5,500	5,500	5,500	5,500		
\$12,000	\$14,000	0	800	1,000	2,700	4,400	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	6,700	6,700	6,700	6,700	6,700		
\$14,000	\$16,000	0	800	2,700	4,400	6,200	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	7,800	7,800	7,800	7,800	7,800		
\$16,000	\$18,000	0	800	4,400	6,200	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	9,000	9,000	9,000	9,000	9,000		
\$18,000	\$20,000	0	800	6,200	7,900	8,300	8,300	8,300	8,300	8,300	8,700	9,200	9,700	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100		
\$20,000	\$22,000	0	7,900	9,300	9,300	9,300	9,300	9,300	9,600	10,100	10,600	11,100	11,200	11,200	11,200	11,200	11,200	11,200	11,200	11,200	11,200	11,200	11,200		
\$22,000	\$24,000	0	9,600	10,200	10,200	10,200	10,200	10,200	10,500	11,000	11,500	12,000	12,400	12,400	12,400	12,400	12,400	12,400	12,400	12,400	12,400	12,400	12,400		
\$24,000	\$26,000	0	4,400	11,100	11,100	11,100	11,400	11,900	12,400	12,900	13,400	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500		
\$26,000	\$28,000	0	6,200	12,100	12,100	12,100	12,400	12,900	13,400	14,000	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700		
\$28,000	\$30,000	0	7,900	13,300	13,800	14,300	14,800	15,300	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800		
\$30,000	\$32,000	0	8,600	14,200	14,700	15,200	15,700	16,200	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500		
\$32,000	\$34,000	0	8,600	14,200	14,700	15,200	15,700	16,200	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500		
\$34,000	\$36,000	0	8,600	14,700	15,200	15,700	16,200	16,700	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200		
\$36,000	\$38,000	0	8,600	15,200	15,700	16,200	16,700	17,200	17,700	17,700	17,700	17,700	17,700	17,700	17,700	17,700	17,700	17,700	17,700	17,700	17,700	17,700	17,700		
\$38,000	\$40,000	0	9,200	15,700	16,200	16,700	17,200	17,700	18,100	18,100	18,100	18,100	18,100	18,100	18,100	18,100	18,100	18,100	18,100	18,100	18,100	18,100	18,100		
\$40,000	\$42,000	0	10,200	16,200	16,700	17,200	17,700	18,200	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500		
\$42,000	\$44,000	0	11,000	16,700	17,200	17,700	18,200	18,700	18,900	18,900	18,900	18,900	18,900	18,900	18,900	18,900	18,900	18,900	18,900	18,900	18,900	18,900	18,900		
\$44,000	\$46,000	0	12,000	17,200	17,700	18,200	18,700	19,200	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300		
\$46,000	\$48,000	0	12,900	17,700	18,200	18,700	19,200	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700		
\$48,000	\$50,000	0	12,900	17,700	18,200	18,700	19,200	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700		
\$50,000	\$55,000	0	12,900	17,700	18,200	18,700	19,200	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700		
\$55,000	\$60,000	0	12,900	17,700	18,200	18,700	19,200	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700		
\$60,000	\$70,000	0	12,900	17,700	18,200	18,700	19,200	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700		
\$70,000	\$80,000	0	12,900	18,300	19,100	19,800	20,600	21,000	21,000	21,000	21,600	21,800	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000		

Table 1

Amount From Line 6 Above		Amount From Line 5 Above										
Amount From Line 6 Above		\$10,000 And Under	\$12,000 And Under	\$14,000 And Under	\$16,000 And Under	\$18,000 And Under	\$20,000 And Under	\$22,000 And Under	\$24,000 And Under	\$30,000 And Under	\$40,000 And Under	\$50,000 Or Over
At Least—	But Less Than—	Under \$10,000										
\$0	\$4,000	0	0	0	0	0	0	0	0	0	0	0
\$4,000	\$6,000	0	0	0	1,000	1,000	1,000	1,000	1,400	1,400	1,400	1,600
\$6,000	\$8,000	0	0	1,500	1,000	1,900	1,900	2,100	2,600	2,600	2,600	2,800
\$8,000	\$10,000	0	1,500	2,900	2,900	2,900	3,000	3,500	3,700	3,700	3,700	4,000
\$10,000	\$12,000	0	3,300	3,800	3,800	3,900	4,000	4,900	4,900	4,900	4,900	5,300
\$12,000	\$14,000	0	4,700	4,700	4,900	5,400	5,900	6,000	6,000	6,000	6,200	6,500
\$14,000	\$16,000	0	5,600	5,600	6,300	6,800	7,200	7,200	7,200	7,200	7,500	7,700
\$16,000	\$18,000	0	7,200	7,200	7,300	8,200	8,300	8,300	8,300	8,300	8,600	8,900
\$18,000	\$20,000	1,500	7,900	7,900	8,400	8,900	8,900	8,900	8,900	8,900	9,600	9,600
\$20,000	\$22,000	2,100	8,900	8,900	9,900	10,100	10,100	10,100	10,100	10,400	11,200	11,200

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## Instructions for Form IL-W-4

Generally, you are subject to Illinois withholding on any pay you receive as an employee from an employer. However, the amount actually withheld from your pay will depend in part on the number of withholding allowances you claim on this form. After you have completed this form, give it to your employer. Keep the worksheet.

### General Instructions

1. **Illinois withholding allowances.** Withholding allowances give you the limited ability to reduce the amount withheld from your pay for Illinois income tax.

2. **Underwithholding.** If the amount withheld from your pay is not enough to cover your tax liability for the year, you will be "underwithheld" for the year. If you can reasonably estimate that your underwithholding will be more than \$250 (because, for example, you have substantial nonwage income), you should do one of two things—either have your employer withhold more from your pay or, in addition to your withholding, make quarterly payments of estimated tax (see Form IL-1040-ES).

3. **Overwithholding.** If the amount withheld from your pay is more than enough to cover your tax liability, you will be "overwithheld" for the year. If you can reasonably estimate that your overwithholding will be large, you should complete a new Form IL-W-4 to determine if you may legally increase the number of your Illinois withholding allowances. Many people, for example, neglect to increase their allowances when a child is added to the household. As a result, they have too much withheld from their pay.

4. **Filing a new IL-W-4.** You may file a new IL-W-4 at any time if the number of your withholding allowances increases.

You must file a new IL-W-4 within 10 days if the number of your previously claimed allowances decreases. However, the death of a spouse or a dependent does not affect your withholding allowances until the next taxable year.

5. **Penalties.** Penalties are imposed for willfully supplying false information affecting your withholding allowances.

6. **If you need additional assistance.** If you have questions about this form, please write us at P.O. Box 19044, Springfield, Illinois 62794-9044. If you prefer, you may call. From within Illinois, call toll-free 1 800 732-8866. From elsewhere, call 1 217 782-3336.

### How to Complete Form IL-W-4

First, complete the worksheet—even if you checked line 6c (exemption from federal withholding) on your U.S. W-4. Due to changes in federal tax law, you may be required to have Illinois tax withheld from your pay even though you are not subject to withholding for federal tax. Then, fill in your social security number, name, address, and the number of withholding allowances you are claiming. Finally, sign the form and give it to your employer. Note: You should complete items E and F of the worksheet only if you are entitled to the allowances on item E.

### Specific Instructions

Item E—Enter the amount you expect to deduct as "Adjustments to Income" on your U.S. 1040 plus the amount of Illinois real estate taxes you expect to subtract on your IL-1040. That is, ADD the following items (as defined or described on U.S. Form W-4):

- qualified alimony payments
- qualified contributions to IRA's and Keogh plans
- qualified reimbursed employee business expenses
- deductible business and investment losses
- penalty on early withdrawal of savings

#### PLWS

- Illinois real estate taxes you expect to deduct on your IL-1040.

Item H—You do not have to claim all your withholding allowances.

You may wish to reduce your Illinois withholding allowances if, for example, you have nonwage income you expect to report on your U.S. 1040 (other than income from U.S. government securities), or if you have income from state and local government securities you expect to report on your IL-1040. If you wish to reduce your allowances for these items, divide your expected income from these sources by \$1000 and subtract that number from item G.

### Worksheet to Figure Your Illinois Withholding Allowances

**Personal Exemptions**—You are allowed one exemption for each member of your immediate household. NOTE: Due to recent changes in federal tax law, you may no longer claim additional exemptions if you are blind or age 65 or older.

A Yourself .....	A	<input type="text"/>
B Spouse .....	B	<input type="text"/>
C Dependents (other than spouse) .....	C	<input type="text"/>
D Total personal exemptions*—Add items A through C .....	D	<input type="text"/>
E Estimated "Adjustments to Income" plus estimated Illinois real estate tax subtraction .....		\$ <input type="text"/>
F Divide item E by \$1000 and round to the nearest whole number .....	F	<input type="text"/>
G Add items D and F .....	G	<input type="text"/>
H Total number of allowances you are claiming.*—To claim all of your Illinois allowances, enter the number shown in item G. If you choose to reduce the number of your Illinois allowances for purposes of withholding Illinois income tax, enter a lesser number (see instructions). Enter the number from item H on your IL-W-4. ....	H	<input type="text"/>

\*If you have more than one job or if your spouse works, you may claim all of your allowances on one job or you may claim some on each job, but you may NOT claim the same allowances more than once. Your withholding will usually be more accurate if you claim all allowances on the IL-W-4 for the job with the largest wages and claim zero on all other IL-W-4's.



Illinois Department of Revenue

IL-W-4 (R-1/87)

## Employee's Illinois Withholding Allowance Certificate

Social security number		<small>This form is authorized as outlined by the Illinois Income Tax Act. Disclosure of this information is REQUIRED. Failure to provide information could result in a penalty. This form has been approved by the Forms Management Center, IL-492-0039.</small>
<input type="text"/>		
Full name		
<input type="text"/>		
Street address		
<input type="text"/>		
City, state, ZIP code		
<input type="text"/>		
<b>Employee:</b> Keep this certificate with your records. If you have referred the employee's federal certificate to IRS and IRS has notified you to disregard it, you may also be required to disregard this certificate. Furthermore, even if you are not required to refer the employee's federal certificate to IRS, you may still be required to refer this certificate to the Illinois Department of Revenue for inspection. See Illinois Income Tax Regulations 86 Ill. Adm. Code 100.7200.		

### Changes:

☐ Name ☐ Address ☐ Exemption

### Former:

Name

Enter the total number of allowances you are claiming (from the worksheet)

I certify that I am entitled to the number of withholding allowances claimed on this certificate.

X  
Signature

Date